



Using your Flexible Spending Account at the Dentist's Office

Flexible Spending Accounts are offered by many employers as part of their overall employee benefits package. If your employer provides this benefit, you may use it to save up to 40% of the cost of your and your family's dental work by using pre-tax dollars. Approved expenses include your out-of-pocket costs for most **non-cosmetic** dental work even if it is covered by your dental insurance.

This is how it works. During your benefits open enrollment period you will be allowed to enroll in the plan and elect the annual amount you intend to spend during the plan year. Your election will be divided by the number of pays in the year and equal deductions will be taken from your pay before taxes are withheld...lowering your tax bite. During the year, you will submit claims and be reimbursed for approved expenses—tax free! Here are some ideas for using your Flexible Spending Account.

1. Plan ahead for major expenses. Your FSA is a great way to pay for them. You can spread the cost of the work throughout the plan year and never pay interest. But talk with your dentist first to confirm that you are a good candidate for your planned procedure. You cannot change the amount you set aside if you find out later you're not going to have that tooth implant or crown, or your child will not be getting braces after all.
2. By utilizing both orthodontia insurance and a Healthcare Flexible Spending Account, you can save substantially on orthodontia. Be aware that how you pay your dentist for orthodontia will affect how much you may be reimbursed by your FSA for the course of treatment. Orthodontia is the only approved FSA expense that may be reimbursed as long as treatment continues and you are making payments. Refer to *Save on Orthodontia with a Flexible Spending Account* for more information.

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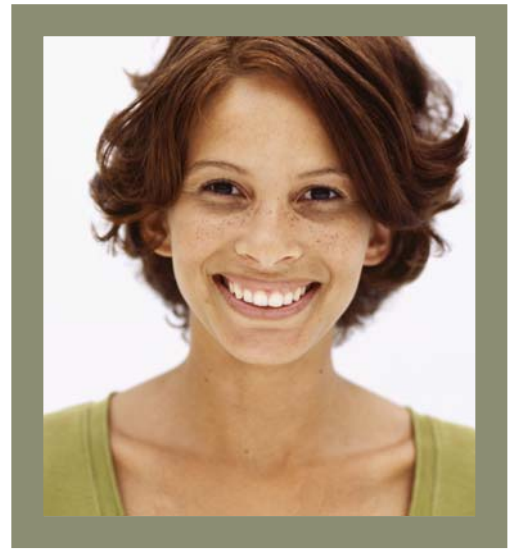
Pre-tax dollars have more spending muscle

Pre-tax dollars are the real deal! Depending on your tax bracket, you'll save up to 40 cents of each pre-tax dollar by not paying Federal, State and Social Security taxes. This translates into real money in your pocket. You can save on many approved dental expenses! See the table below for an example of your possible savings.

Savings Example

	With Pre-tax Plan	No Pre-tax plan
Monthly pay	\$4,000	\$4,000
Contribution to the plan	-200	0
New taxable amount	3,800	4,000
Taxes withheld from pay*	-1,142	-1,202
Out-of-pocket expenses	0	-200
Net income	\$2,658	\$2,598
Tax Savings = \$60 per month!		
<small>Savings will vary based on tax bracket. Example shown calculated at 7.65% Social Security, 17.4% Federal and 5% state income tax savings</small>		

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3. All claims for services provided during the plan year must be submitted before the end of the period set by your plan. Your human resources department can tell you the cut-off date.
4. Review your insurance coverage and your expected out-of-pocket costs before you decide how much to put in your FSA each year. You'll want to make sure you achieve all your eligible savings and keep from losing left-over money at the end of the plan year.
5. Remember that cosmetic procedures are not approved expenses for a Flexible Spending Account. Veneers (unless they are linked to a medical condition), tooth whitening, etc. cannot be reimbursed.
6. Be sure to show your dental insurance ID card at every appointment and wait for your Explanation of Benefits to arrive before you pay your share of your expenses. Services covered by insurance often include a discount from the dentist's usual and customary charges. Use your Flexible Spending Account to pay only your portion of the cost.

Do you have
an HSA?

You may still use
a Limited FSA

for dental expenses.

Flexible Spending Account Dental Expense Estimate

	Actual Expenses Last Year	Estimated Expenses New Year
Co-pay dental visits	\$ _____	\$ _____
Co-pay fillings	\$ _____	\$ _____
Co-pay major work (root canals, crowns, dentures, etc.)	\$ _____	\$ _____
Orthodontia (braces)	\$ _____	\$ _____
Deductible expenses	\$ _____	\$ _____
Other expenses	\$ _____	\$ _____
Total annual amounts	\$ _____	\$ _____



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